scrutiny of candidates at the time of recruitment and initiate disciplinary action promptly and awarding exemplary punishment to delinquent employees.

Foreign exchange reserves

79. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) the amount of India's total foreign exchange reserves as on 1 st January, 2005;

(b) whether it is proposed to withdraw a part of the forex reserves to fund the infrastructure development;

(c) if so, whether any guidelines have been laid down in this regard;

(d) if answer to (b) above be in the negative, the reasons therefor; and

(e) in what ways it is proposed to utilise huge forex reserves?

THE MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) India's foreign exchange reserves stood at US$131.2 billion on December 31, 2004.

(b) to (d) Any decision to utilise a part of India's foreign exchange reserves for funding domestic projects requires a careful assessment, *inter alia,* of the impact of such a measure on the fiscal situation, money supply, exchange rate, domestic interest rates, reserve adequacy and inflation. An informed debate, on the feasibility of such an utilisation, is currently on.

(e) The foreign exchange reserves will continue to be invested as per the relevant provisions of the RBI Act (1934) based on the considerations of safety, liquidity and return.

Structural adjustment loan for Maharashtra

80. SHRI R.S. GAVAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is **a** fact that the State Government of Maharashtra has submitted **a** proposal of 10 thousand crores as a structural adjustment loan from World Bank through Government of India;